

# Briefing Book

State of the Housing Market Update 2014

San Francisco Mayor's Office of Housing and Community Development



August 2014

*(10/28/14 SPUR presentation, includes excerpts from Briefing Book)*



# Table of Contents

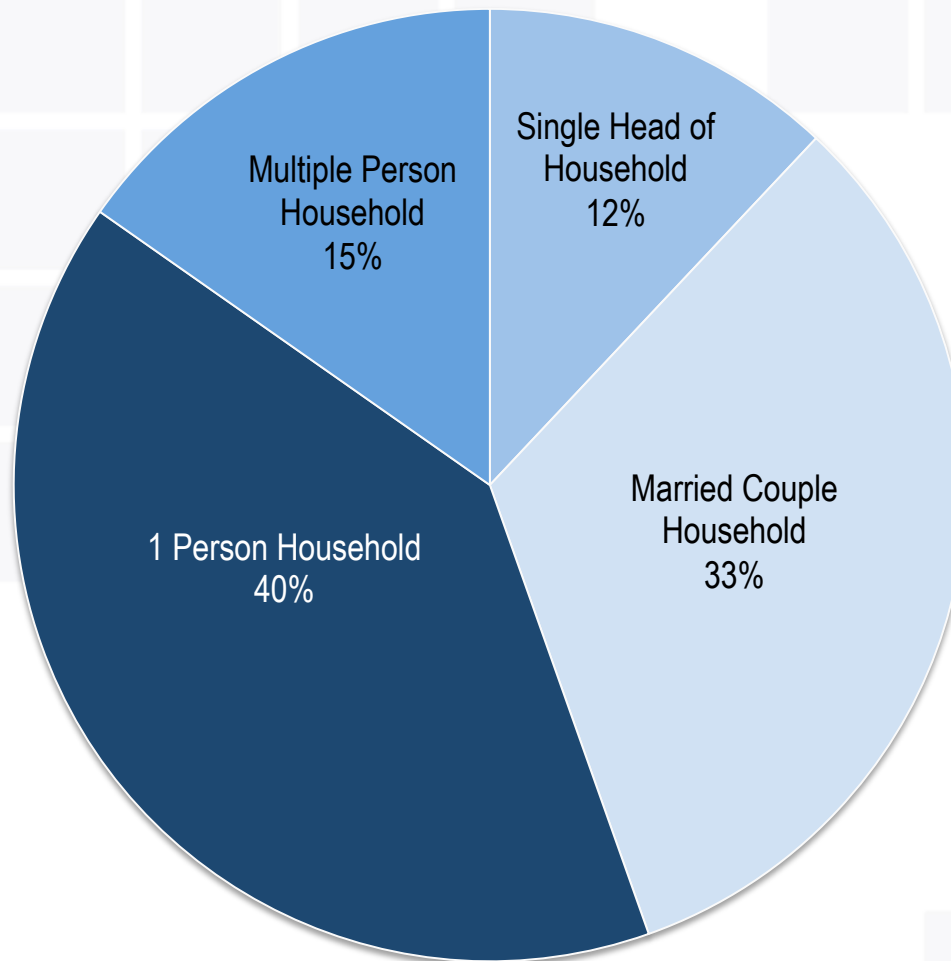
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- Project Background 2
- Household Income Background and Trends 3
- Rental Housing Market Trends 16
- Ownership Housing Market Trends 29
- Overall Findings 38
- Technical Appendix 41



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## Profile of San Francisco Households (2011)

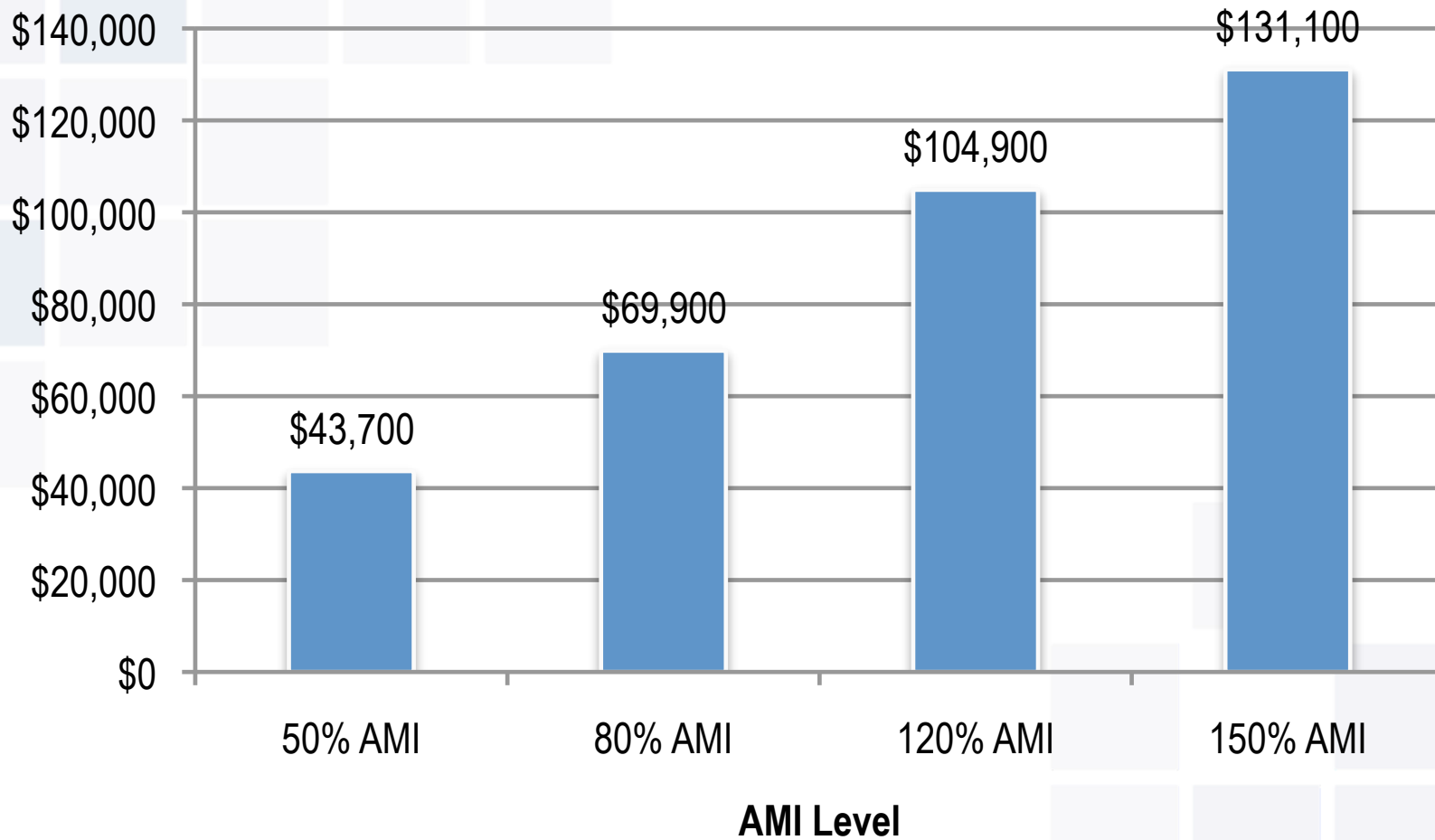


Single individuals (40%) are the most prevalent type of household in San Francisco, followed by married couple households (33%).

*According to recent US Census and ACS data, about 16% of San Francisco households have children under 18 years of age and about 64% of households are renters.*

### 3-Person Household Income Levels (2014)

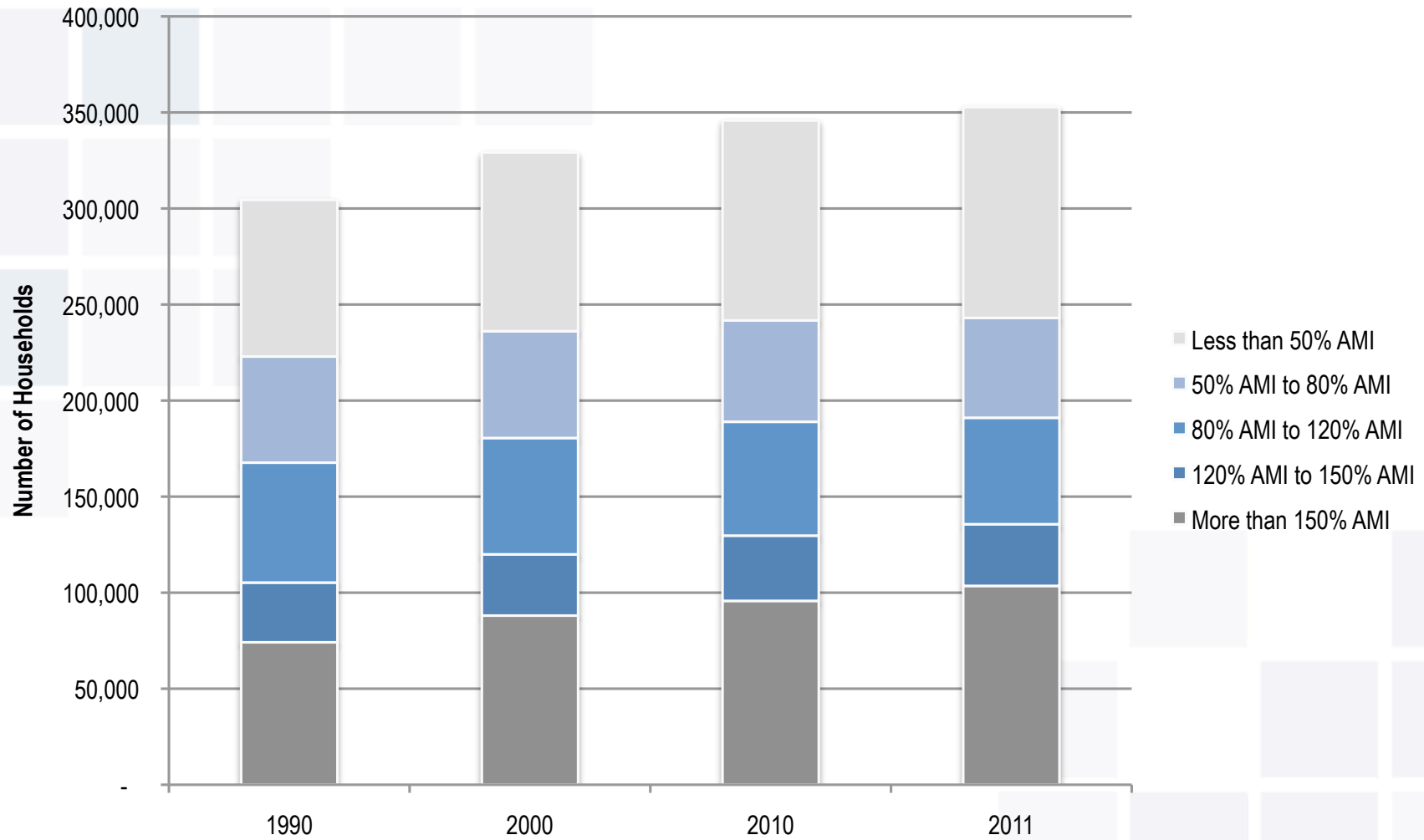
As a point of reference, this graph shows 2014 income levels at 50%, 80%, 120%, and 150% AMI for a 3-person household that might live in a 2-bedroom unit in San Francisco.



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## Middle Income Household Income Trends Over Time (1990-2011)

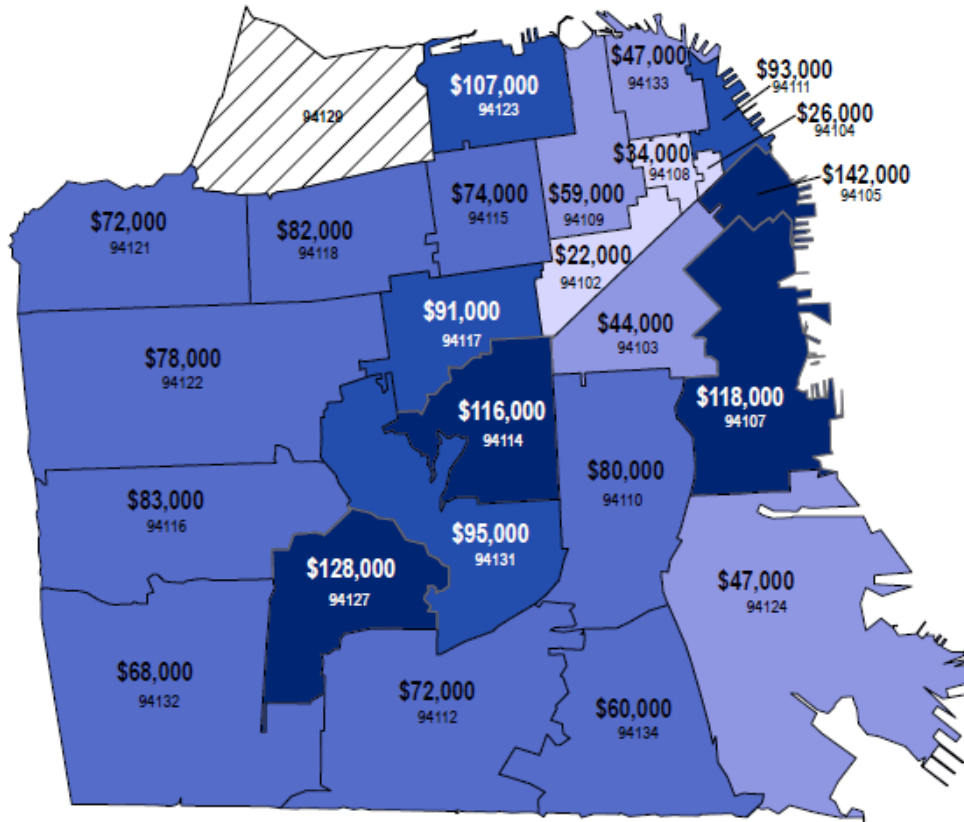
This graph represents the total number of households by income category since 1990, showing that the number of 50-150% AMI households has decreased from about 49% to 40% of all households.



Source: San Francisco Mayor's Office of Housing, 1990 Census, 2000 Census, 2010 Census, 2005-09 five year sample/IPUMS, 2007-11 five year sample/IPUMS, Seifel Consulting Inc.

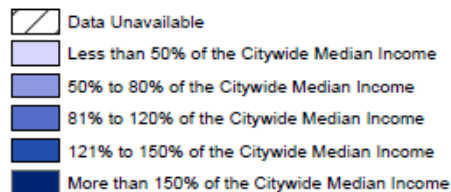
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# Household Income by Zip Code (2012)



Citywide Median Household Income (ACS 2012): \$74,000

Median household income rounded to nearest \$1,000.  
Source: 2012 American Community Survey.



- Median household income differs across the City, ranging from about \$22,000 (in 94102) to \$142,000 (in 94105)
- Shading ranges  
Light blue = lowest median income level  
Dark blue = highest median income level
- The City's median household income has increased about 3%, from \$72,000 in 2010 to \$74,000 in 2012

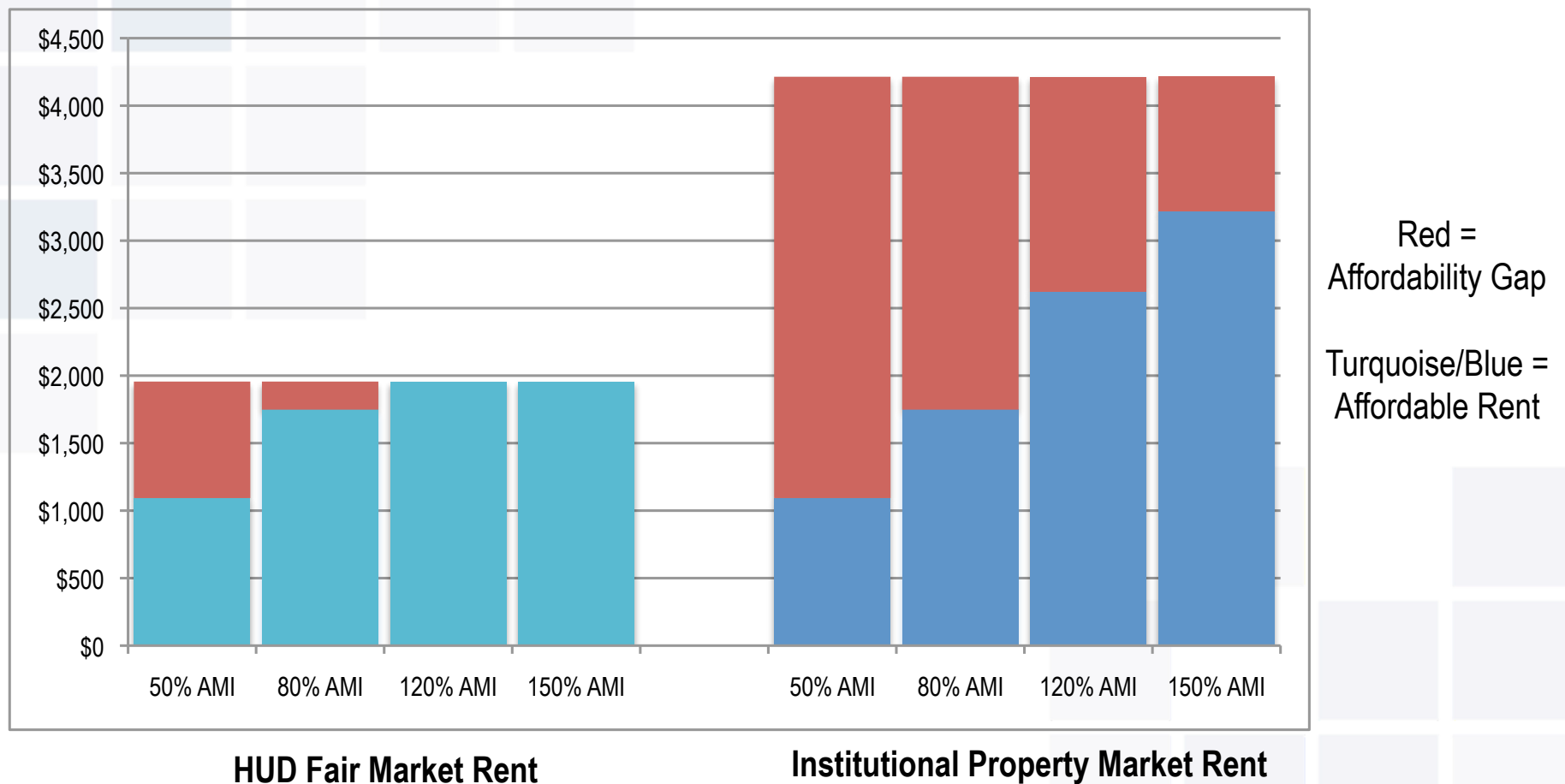


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## Affordability Gaps for Different Rents

### Comparison of Market Rents and Affordability Gap by AMI for 2-Bedroom (2014 Q1)

- An affordability gap exists at all levels of 50-150% AMI households for Institutional Properties. Rent at an Institutional Property is currently affordable to households earning \$167,000 (or 190% AMI).



Source: HUD published Fair Market Rents, RealFacts, Seifel Consulting Inc.

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## Affordable Sales Prices (2-Bedroom Home, July 2014)

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<b>Income Levels</b>	<b>2 Bedroom Home</b>	<b>Condominium</b>
150% AMI	\$564,000	\$528,000
120% AMI	\$443,000	\$407,000
80% AMI	\$282,000	\$246,000
<b><i>Home Sales Price<sup>a</sup></i></b>	<b>\$950,000</b>	<b>\$981,000</b>

a. Sales price is for a 2-bedroom home or condominium from Zillow home value index, July 2014.

Source: San Francisco Mayor's Office of Housing, Zillow, Seifel Consulting Inc.

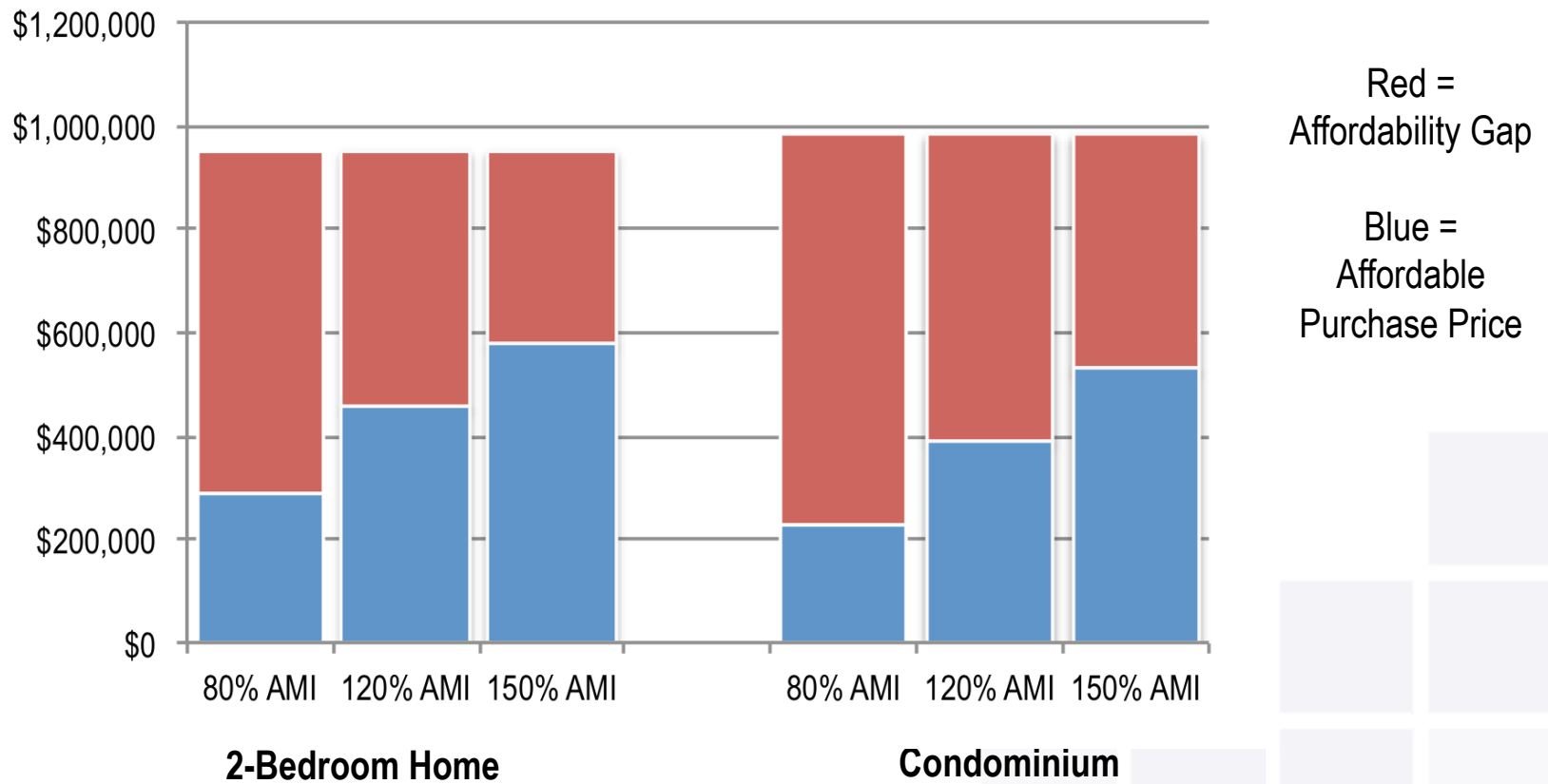
The affordable sales price assumes 33% of income for a 3 person household is spent on housing, a 10% down payment and 90% financing. The affordable home price includes utilities, real estate taxes, insurance, and \$1,200 annual allowance for homeowner maintenance (HOA) costs. The affordable condominium price is lower because annual HOA costs are assumed at \$5,520.



## Affordability Gap by Income Level

### *Sales Prices Compared to Affordable Homes by AMI Income Level (July 2014)*

- Affordability gaps exist for 80% AMI, 120% AMI, and 150% AMI households for both 2-bedroom and condominium homes. Typical homes are affordable to households earning \$215,000 (~245% AMI) while condominiums are affordable to households earning \$230,000 (~260% AMI).



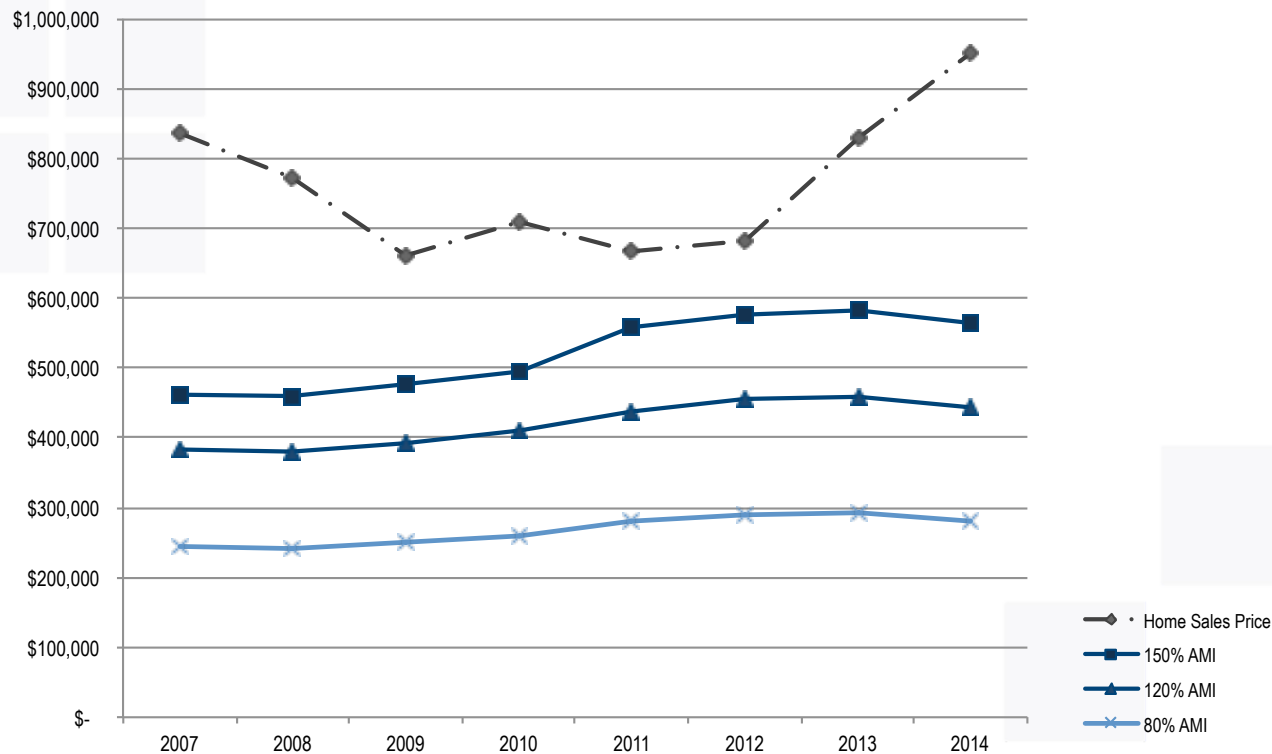
Source: San Francisco Mayor's Office of Housing, Federal Reserve Bank, San Francisco County Assessor's Office, California HCD, Zillow, Seifel Consulting Inc.

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## Affordability Gap by Income Level (continued)

### *Sales Prices: 2-Bedroom Home Compared to Affordable Sales Price (2007 to 2014)*

- As the housing market has recovered in San Francisco, home prices have increased beyond 2007 levels, and the affordability gap has increased for each income category, ranging from about \$300,000 for a household at 150% AMI to almost \$600,000 for a household at 80% AMI.



Source: San Francisco Mayor's Office of Housing, Federal Reserve Bank, San Francisco County Assessor's Office, California HCD, Zillow, Seifel Consulting Inc.

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